



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
8725 JOHN J. KINGMAN ROAD  
FORT BELVOIR, VIRGINIA 22060-6221

IN REPLY  
REFER TO

DLMSO

OCT 9 2008

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Proposed Defense Logistics Management System (DLMS) Change (PDC) 334,  
Denial Management Code in a Supply Status Transaction  
(Supply/MILSTRIP/MILSTRAP)

We are forwarding the attached, proposed change to DOD 4000.25-M, Defense Logistics Management System (DLMS), DOD 4000.25-1-M, Military Standard Transaction and Issue Procedures (MILSTRIP), and DOD 4000.25-2-M, Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP), for evaluation and submission of a single, coordinated DOD Component position. The interface requirement relating to this proposed change is shown to assist in your internal coordination. However, omission of such a requirement does not relieve you of the responsibility to assure full coordination of the proposal within your Component.

Request you review the attached, proposed change and provide your comments/concurrence to DLMSO not later than **30** days from the date of this memorandum. If nonconcurrence is provided, please provide an alternate method to meet the requirement being addressed.

Addressees may direct questions to the DLMSO points of contact, Ms. Ellen Hilert, Chair, Supply Process Review Committee, 703-767-0676; DSN 427-0676; or, e-mail: [ellen.hilert@dla.mil](mailto:ellen.hilert@dla.mil). Others must contact their Component designated representative.

DONALD C. PIPP

Director

Defense Logistics Management  
Standards Office

Attachment

cc:

DUSD(L&MR)SCI

**PDC 334**  
**Denial Management Code in a Supply Status Transaction**

**1. ORIGINATOR:**

**a. Service/Agency:** Department of the Army G-44(S)

**b. Originator:** Department of the Army G-44(S), Office of the Director of Supply, Secondary Items Division, 703-692-9834 (DSN 645)

**2. FUNCTIONAL AREA: Primary:** Supply

**3. REFERENCE:** DLMSO Memorandum dated 14 March, 2006: Approved Defense Logistics Management System (DLMS) Change (ADC) 191, Management Codes on Supply Transactions. Among other requirements, ADC 191 documented an intra-Army requirement for the Source of Supply (SoS) to provide the customer a Supply Status (DLMS 870S/MILSTRIP AE\_ status transaction) with Status Code BD and Management Code R when a storage site denial has been processed against a Materiel Release Order generated by the SoS in support of the customer's requisition. This status transaction allows the Army customer system to clear their suffix record when an MRO denial has occurred. Further action on the denied quantity is anticipated to occur on a subsequent suffix code.

**4. REQUESTED CHANGE:**

**a. Description of Change:** This change requests that the denial management code approved by ADC 191 for use on a supply status transaction on an intra-Army basis be established for DOD usage. The volume of Army orders supported on an inter-Service basis drives the need for this functionality to be extended beyond intra-Army.

(1) In short the requirement is for the SoS to generate a Supply Status (DLMS 870S/MILSTRIP AE8) with Status Code BD and Management Code R citing the MRO denied quantity and suffix when the SoS receives a storage site denial against an MRO. This status transaction will allow the customer system to amend/clear their suffix record when an MRO denial has occurred. Further action on the denied quantity is anticipated to occur on a subsequent suffix code.

(2) At a minimum it is proposed that DLA adopt this process and provide the denial management code in a supply status transaction when an MRO denial is processed against an Army requisition. Additionally, it is requested that all Services consider the adoption of these procedures at the SoS and customer level. This change will authorize this management code for use under the DLMS on an inter-Service basis. The Defense Automatic Addressing System Center (DAASC) will support conversion between MILS and DLMS transactions when used.

(3) **Management Code R.** This code is authorized for use on inter-Service basis as agreed to by each Service/Agency. It recognizes the value R in record position 72 as a valid

entry for MILSTRIP Supply Status DI Code AE\_ with status code equal to BD (Requisition Delayed). Management Code R will be interpreted by Army and other participating users as a reason for the delayed in requisition processing. The R indicates that there was a denial from the storage site/depot.

**b. MILSTRIP Procedures:**

(1) Revise MILSTRIP Chapter 4, Status, to insert new procedures as follows:

(a) Insert new subparagraph C4.6.1.3.1 as follows:

**C4.6. USE OF STATUS RECEIVED**

C4.6.1.3. Review supply status (DI AE\_) received for additional action required by the status code, if any.

*C4.1.3.1. If supply status identifies a processing delay due to storage site denial to the supply source's material release order (Status BD with Management Code R), the customer/customer's system shall update/clear the local record for the suffix and quantity identified (so that subsequent status on a next available suffix is not misinterpreted as duplicative/exceeding the quantity ordered, potentially triggering cancellation). Further supply action to satisfy the denied quantity will be identified on a subsequent supply status under next available suffix code. Use of BD status with Management Code R allows the customer's system to better track status and recognize the correct quantity in process.*

*C4.1.3.2. If a requisition has been rejected (DI AE\_ with a rejected status code), and the materiel is still required, the requirement must be submitted as a new MILSTRIP requisition citing a new transaction number with a current ordinal date.*

(b) Insert new subparagraph C4.7.7 and renumber remaining paragraphs:

**C4.8. FURNISHING STATUS**

*C4.8.7 Supply sources shall furnish supply status indicating processing delay when a material release order is denied by the storage activity. Use Status Code BD and denial Management Code R citing the MRO denied quantity and suffix. Further supply action to satisfy the denied quantity is anticipated to occur on a subsequent suffix code.*

(2) Revise definition of Status Code BD in MILSTRIP Appendix AP2.16 as follows:

BD	<p>Requisition is delayed.</p> <p>(1) <b>Delay</b> due to need to verify requirements relative to authorized application, item identification, or technical data.</p> <p>(2) Requisition for GFM is delayed pending validation by either contracting MCA or between source of supply and MCA. See rp 4-6 to determine the activity performing the validation. Upon completion of review, additional status will be provided to indicate action taken.</p> <p>(3) <b><i>If used with Management Code R, delay due to storage activity denial on the identified suffix. Clear/update local records for suffix and quantity identified. Further action on the denied quantity is anticipated to occur on a subsequent suffix code.</i></b></p>
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(3) Replace the current Management Code note associated with Status Code BD in MILSTRIP Appendix, AP3.10, Supply Status, with the following:

For DI Code AE_ Transactions with Status Code BD <del>(Army only)</del> (Army and participating Components)		
Management Code	72	<p><b><i>Cite Management Code R with Status Code BD (rp 65-66) when communicating to the customer that a storage site denial has occurred against an MRO. The status transaction will be for the denied quantity and suffix. If status code (rp 65-66) is BD enter denial Management Code R, indicating a denial/refusal to the Standard Army Retail Supply System (SARSS) operating under Army Single Stock Fund.</i></b></p>

c. **MILSTRAP Procedures:** Revise footnote 1 regarding Management Code R in MILSTRAP Appendix, AP2.6, as follows.

AP2.62 ISSUE RELATED TRANSACTIONS		
R	AE_ <sup>1</sup>	Requisition delayed due to storage activity denial.

<sup>1</sup> Authorized for use in ~~inter-~~Army **and other participating Component** supply status.

d. **DLMS Procedures:** Update DLMS manual as identified above for MILSTRIP and insert equivalent DLMS Supplement (DS) note as indicated below.

Location	Revision	Reason
2/330/LQ01	<p><u>Replace DLMS note 2 as follows:</u></p> <p><b>81 Status Code</b>  <b>DLMS Note:</b>  <b>1.</b> Use to identify the supply status associated with the transaction <b>document</b> number/suffix.</p>	Clarification consistent with expanded authorized use of this business process on a DoD-wide basis.

	<p><i>2. For Army and other participating Components, if an MRO denial occurs and status code BD is being provided for the denied quantity and suffix to notify the customer of the delay/denial action, then enter Management Code R. Further action on the denied quantity is anticipated to occur on a subsequent suffix code. (Refer to PDC 334). <del>If status code is BD (Army only), enter denial Management Code R, indicating a denial/refusal to the Standard Army Retail Supply System (SARSS) operating under Army Single Stock Fund (refer to ADC 191).</del></i></p> <p>3. Multiple repetitions to identify all applicable supply status codes is a DLMS enhancement; see introductory DLMS note 3a.</p>	
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## 5. REASON FOR CHANGE:

(a) With the introduction of the Army Single Stock Fund (SSF), the SARSS system was encountering problems with Denials/Refusals (DIC A6\_) because SARSS cannot process the denial transactions from a depot or other Army Working Capital Fund (AWCF) sites. To resolve the problem, the Army wholesale system generates a supply status transaction with Status Code BD and a Management Code R in record position 72. The AE\_ BD with R in cc 72 allows SARSS to clear their suffix record when a refusal or denial has occurred from a CCSS generated Material Release Order (MILSTRIP A5\_ ). Further action will occur against the denied quantity.

(b) ADC 191 authorized the use of Management Code R for use on the MILS AE\_ and the DLMS EDI 870S supply status transaction on an intra-Army basis to facilitate proper DAAS conversion. However, the volume of Army orders supported on an inter-Service basis drives the need for this functionality to be extended beyond intra-Army. This change requests that Management Code R be established for DOD usage. At a minimum, it requires that DLA adopt this process for Army requisitions to ensure the vast majority of Army requisitions are subjected to this status process.

(c) The use of this technique will resolve a long standing void in MILSTRIP status generation and processing as currently there is no direct manner to inform the customer that a denial has occurred against their requisition. Accordingly, all Services are to incorporate these procedures on a phased implementation.

## 6. ADVANTAGES AND DISADVANTAGES:

### a. Advantages:

(1) Resolves a long standing void in MILSTRIP status generation and processing as currently there is no direct manner to inform the customer that a denial has occurred against their requisition. Improves customer ability to track the status of their orders in process and close records properly and in a timely manner when the due-in quantity is received.

(2) This change will reduce erroneous cancellation of suspected duplicate quantities and/or erroneous due-in increases and over obligation actions associated with SoS action on a different suffix code subsequent to the storage site denial.

**b. Disadvantages:** None

**7. IMPACT:**

- a.** Revisions to manuals as identified above
- b.** Update to DAASC maps
- c.** Additional program changes for DLA and Services.